

Temporary Budgets For Direct Appropriation Accounts

Objective

To provide a process for agencies to requisition and encumber goods and services needed on or about July 1 of a new fiscal year, or for appropriations made in the off-year legislative session (for the second year of the biennium) that require immediate action. Temporary budgets will allow agencies to participate in agreements for goods and services before agency operating budget requests are approved.

Policy

Temporary budgets will be used only for direct appropriated accounts. Appropriation accounts for dedicated receipts or statutory appropriations may requisition and encumber funds by entering the operating budgets for the new fiscal year. Generally the process for establishing temporary budgets will be used only for budgets needed prior to the beginning of the first year of the biennium, or for appropriations made in the off-year legislative session (for the second year of the biennium) that require immediate action.

All agreements that require the use of temporary budgets or obligate state funds before the beginning of the fiscal year must include language stating that the goods or services must not be delivered before July 1 of a new fiscal year. The agreement must also include language that releases the State of Minnesota from the agreement if the necessary funds are not appropriated or otherwise made available to meet the obligation.

Agencies must request authority from the Minnesota Management & Budget to process requisitions or encumbrances in MAPS before an appropriation becomes available. Temporary budgets will be based on AP transactions with a legal citation of "TEMP BUDG".

Forms

[FI-00519 Appropriation Entry \(AP\)](#)

General Procedures

Step #	Actions to be Performed	Responsible Party
	To establish temporary budget prior to receiving direct appropriation	

1.	Determine the need to requisition or encumber goods or services before the regular operating budget is approved and entered into MAPS. The amount requested should be based on the total amount of requisitions or encumbrances needed before the agency's operating budgets are approved.	Agency
2.	Complete the Appropriation Entry (AP) form for the correct amount and with the legal citation of "TEMP BUDG." The form should also include an explanation for the temporary budget, appropriation unit, appropriation type, appropriation name and short name, budget authority (B/A), section sequence number and the amount.	Agency
3.	<p>In accordance with agency approval procedures, secure the necessary approvals to process the request for the temporary budget. The agency approval must be noted on the AP form with the signature of the agency head or agency-delegated staff.</p> <p>Submit the temporary budget form to the agency's Executive Budget Officer (EBO). The agency should make a form file copy and use it to eliminate the temporary budget once the direct appropriation has been received. No completed forms will be returned.</p>	Agency
4.	Verify the Governor's recommended appropriation amount contained in the biennial budget to determine that the temporary budget request is within the recommended appropriation amount. If the request is within the limit, sign the AP form and forward to Minnesota Management & Budget, Budget Operations.	Minnesota Management & Budget, EBO
5.	Review the form for completeness and accuracy. If there are any concerns, notify the appropriate EBO to resolve with the agency. Otherwise, forward the AP form to Agency Assistance for input.	Minnesota Management & Budget, Budget Operations
6.	Review and input form. Retain the form in the appropriations file. Agencies may execute on-line inquiries to determine when the document was entered.	Minnesota Management & Budget, Agency Assistance
	To eliminate temporary budget after receiving direct appropriation	

1.	Prepare an AP form to establish an amount for the direct appropriation to include the correct legal citation from the appropriate session chapter law.	Agency
2.	Send a new or copy of AP form to agency EBO for each temporary budget that was submitted to the Minnesota Management & Budget. The change should include a "M" (Modify) for the action, amount to be established for the temporary budget and "D" for the I/D (Increase/Decrease). This will zero the amount set up for the temporary budget.	Agency